

1
2
3
4
5
6
7 MATIAS MALIG, AS TRUSTEE FOR
8 THE MALIG FAMILY TRUST,
9 Plaintiff,
10 v.
11 LYFT, INC., et al.,
12 Defendants.

Case No. 19-cv-02690-HSG
**ORDER DENYING ADMINISTRATIVE
MOTIONS TO SEAL**
Re: Dkt. Nos. 116, 126, 134

13 Pending before the Court are the parties' administrative motions to file documents in
14 connection with Plaintiff's motion for class certification under seal. Dkt. Nos. 116, 126, 134. For
15 the reasons set forth below, the Court **DENIES** the motions.

16 **I. LEGAL STANDARD**

17 Courts generally apply a "compelling reasons" standard when considering motions to seal
18 documents. *Pintos v. Pac. Creditors Ass'n*, 605 F.3d 665, 678 (9th Cir. 2010) (quoting *Kamakana*
19 v. City & Cty. of Honolulu, 447 F.3d 1172, 1178 (9th Cir. 2006)). "This standard derives from the
20 common law right 'to inspect and copy public records and documents, including judicial records
21 and documents.'" *Id.* (quoting *Kamakana*, 447 F.3d at 1178). "[A] strong presumption in favor of
22 access is the starting point." *Kamakana*, 447 F.3d at 1178 (quotations omitted). To overcome this
23 strong presumption, the party seeking to seal a judicial record attached to a dispositive motion
24 must "articulate compelling reasons supported by specific factual findings that outweigh the
25 general history of access and the public policies favoring disclosure, such as the public interest in
26 understanding the judicial process" and "significant public events." *Id.* at 1178–79 (quotations
27 omitted). "In general, 'compelling reasons' sufficient to outweigh the public's interest in
28 disclosure and justify sealing court records exist when such 'court files might have become a

1 vehicle for improper purposes,’ such as the use of records to gratify private spite, promote public
2 scandal, circulate libelous statements, or release trade secrets.” *Id.* at 1179 (quoting *Nixon v.*
3 *Warner Commc’ns, Inc.*, 435 U.S. 589, 598 (1978)). “The mere fact that the production of records
4 may lead to a litigant’s embarrassment, incrimination, or exposure to further litigation will not,
5 without more, compel the court to seal its records.” *Id.*

6 Civil Local Rule 79-5 supplements the “compelling reasons” standard. The party seeking
7 to file under seal must submit “a request that establishes that the document, or portions thereof, are
8 privileged, protectable as a trade secret or otherwise entitled to protection under the law The
9 request must be narrowly tailored to seek sealing only of sealable material” Civil L.R. 79-
10 5(b). Courts have found that “confidential business information” in the form of “license
11 agreements, financial terms, details of confidential licensing negotiations, and business strategies”
12 satisfies the “compelling reasons” standard. *See In re Qualcomm Litig.*, No. 3:17-cv-0108-GPC-
13 MDD, 2017 WL 5176922, at *2 (S.D. Cal. Nov. 8, 2017) (observing that sealing such information
14 “prevent[ed] competitors from gaining insight into the parties’ business model and strategy”);
15 *Finisar Corp. v. Nistica, Inc.*, No. 13-cv-03345-BLF (JSC), 2015 WL 3988132, at *5 (N.D. Cal.
16 June 30, 2015).

17 Records attached to nondispositive motions must meet the lower “good cause” standard of
18 Rule 26(c) of the Federal Rules of Civil Procedure, as such records “are often unrelated, or only
19 tangentially related, to the underlying cause of action.” *Kamakana*, 447 F.3d at 1179–80
20 (quotations omitted). This requires a “particularized showing” that “specific prejudice or harm
21 will result” if the information is disclosed. *Phillips ex rel. Estates of Byrd v. Gen. Motors Corp.*,
22 307 F.3d 1206, 1210–11 (9th Cir. 2002); *see also* Fed. R. Civ. P. 26(c). “Broad allegations of
23 harm, unsubstantiated by specific examples of articulated reasoning” will not suffice. *Beckman*
24 *Indus., Inc. v. Int’l Ins. Co.*, 966 F.2d 470, 476 (9th Cir. 1992) (quotation omitted).

25 II. DISCUSSION

26 Because the motion for class certification is more than tangentially related to the
27 underlying action, the Court applies the “compelling reasons” standard in evaluating the motions
28 to seal. Defendants seek to seal the entirety of three exhibits to the Declaration of Melyn C.N.

1 Grant, Dkt. No. 118, associated portions of their opposition, and a portion of the Grant
2 Declaration. Dkt. No. 116. Defendants also seek to seal the entirety of Exhibit 24 to the
3 Supplemental Grant Declaration. Dkt. No. 134. The Court denies Defendants' motions because
4 Defendants have failed to provide a sufficient justification or narrowly tailor their requests.

5 Defendants seek to seal Exhibit 19, Plaintiff's deposition transcript, because it was
6 designated as "Confidential" by Plaintiff. But a designation of confidentiality is not sufficient to
7 establish that a document is sealable. *See Civ. L. R. 79-5(d)(1)(A)*. "Confidential" is merely the
8 parties' initial designation of confidentiality to establish coverage under the stipulated protective
9 order. *See Verinata Health, Inc. v. Ariosa Diagnostics, Inc.*, No. 12-cv-05501-SI, 2015 WL
10 5117083, at *5 (N.D. Cal. Aug. 31, 2015) ("But good cause 'cannot be established simply by
11 showing that the document is subject to a protective order or by stating in general terms that the
12 material is considered to be confidential'"') (quoting *Bain v. AstraZeneca LP*, No. 09-cv-4147,
13 2011 WL 482767, at *1 (N.D. Cal. Feb. 7, 2011)). Plaintiff filed no supporting declaration, and
14 later stated in his motion to seal that he does not seek to seal his deposition transcript. Dkt. No.
15 126 at 2 n.3. The Court thus **DENIES** Defendants' request to seal Exhibit 1 and portions of the
16 opposition referencing the deposition.

17 Defendants also seek to seal Exhibit 3, Lyft's roadshow document, on the bases that it was
18 designated as highly confidential and that Lyft's competitors "could use the information to Lyft's
19 detriment." Dkt. No. 116 at 2. The Court finds Defendants' overly generalized justification
20 insufficient. In filing motions to seal, the burden is on the parties to justify, in detail, each
21 proposed fact that they want to seal. Civil Local Rule 79-5(b) requires that the "request must be
22 narrowly tailored to seek sealing only of sealable material." Similarly, Defendants' requests to
23 seal the entirety of Exhibit 1 and Exhibit 24, compilations of investor declarations, are
24 unjustifiably overbroad. Defendants contend that these exhibits contain "confidential trading
25 practices and research techniques [that] could [] be used by other to the investors' competitive
26 disadvantage." Dkt. Nos. 116, 134. But the Court disagrees, as these declarations largely contain
27 high-level statements describing the investors' knowledge about the purportedly omitted
28 information. The Court thus **DENIES** Defendants' request to seal Exhibits 3, 19, 24, and

1 associated portions of the opposition.¹

2 Plaintiff moves to seal three exhibits to the Declaration of Jeffrey C. Block, Dkt. No. 129,
3 portions of the Block Declaration, and portions of his reply. Dkt. No. 126.² Specifically, Plaintiff
4 seeks to seal Exhibits 5-8 to the Block Declaration because Defendants designated those
5 documents as confidential. *Id.* at 4-5. But Defendants' counsel filed a supporting declaration
6 indicating that Defendants do not seek confidential treatment of those exhibits. Dkt. No. 130 at 1,
7 3. Accordingly, the Court **DENIES** Plaintiff's request to seal Exhibits 5-8 and related references
8 in the reply and Block Declaration.

9 //

10 //

11 //

12 //

13 //

14 //

15 //

16 //

17 //

18 //

19 //

20 //

21 //

22 //

23 //

24 //

25 _____
26 ¹ As relevant to Exhibit 3, Defendants also seek to seal a portion of the Grant Declaration. Dkt.
27 No. 116. Because Defendants did not adequately address why sealing the title of Exhibit 3 is
warranted, the Court **DENIES** denies that request.

28 ² Plaintiff requested to seal portions of its reply that reference Exhibits 1 and 3 to the Grant
Declaration in the event the Court granted Defendants' request to seal those documents. Dkt. No.
126 at 2. Given the Court's ruling, the Court **DENIES** Plaintiff's request.

1 **III. CONCLUSION**

2 The Court **DENIES** the parties' administrative motions to file under seal, and **DIRECTS**
3 the parties to file public versions of all documents for which the proposed sealing has been denied
4 within seven days of this order. The parties may also file a new motion to seal that comports with
5 the requirements discussed above within seven days of this order. Additionally, any proposed
6 order or responsive declaration must include in the table for each item sought to be sealed: (1) the
7 docket numbers of the public and provisionally sealed versions of documents sought to be filed
8 under seal; (2) the name of the document; (3) the specific portion(s) of the document sought to be
9 filed under seal; and (4) the filer's reasons for seeking sealing of the material, along with citations
10 to the relevant declarations and any supporting legal authority. The reasons provided must be
11 specific and tailored to the portion(s) of the document sought to be sealed.

12
13 **IT IS SO ORDERED.**

14 Dated: 8/20/2021

15 
16 HAYWOOD S. GILLIAM, JR.
17 United States District Judge